

TABLE 3: NUCLEAR ELIMINATION

	INITIATIVE	PROS/CONS	DPRK CONTACTS	COMMENTS
ENERGY ASSISTANCE	Build Two LWRs or One Plus Conventional Energy Equivalent	Integrates DPRK into regional energy superstructure and facilitates closer North-South ties	Central government ministries involved with electric power, transport, nuclear energy as well as on the ground technical personnel and workers	Complete the two KEDO units at Kumho or one unit plus a package of conventional energy assistance equivalent to capital cost of one LWR
		Provide DPRK with steady stream of income from power sales	Conventional equivalent of LWR will require interaction with a much broader group of ministries and individuals	Will require interconnection of reactor with ROK grid as well as DPRK and perhaps the Russian Far East grid
		Potentially difficult to secure participation of other countries, particularly ROK, given past experience with KEDO, and to structure the project in general		
		Carries significant costs in the billions of dollars (including maintenance and operations such as grid system)		
	Construct Large Energy Infrastructure Projects	Benefits national economy, helps environment and facilitates integration of the North into the regional and global economies	Central government ministries, including those responsible for electric power, coal mining, industries, communications, transport, labor, construction, finance, agriculture and foreign trade	Could include a LNG receiving facility at a cost of \$250-500 million, more extensive national grid reconstruction at a cost of billions of dollars, and national gas grids in conjunction with regional gas trade initiatives
		May stimulate other improvements, such as fixing communications and transport systems	Officials at provincial and county levels, individual plant managers and plant technicians	Provide more extensive assistance with coal supply infrastructure, including development and modernization of large key mines, completion of long-term mine refurbishment started over a decade ago, and implementation of additional mechanized mining equipment
		Creates programs that can attract IFI financing in combination with commercial consortia (electricity/gas/rail interconnections)		Could spark related transportation system refurbishment again possibly in conjunction with regional initiatives such as rail transport from ROK through DPRK to Russia/China
		Consistent with DPRK national energy goals		
		Greatly increases DPRK interaction with the outside world; might be viewed as potentially dangerous by the DPRK government		
	Establish Advanced Energy Education Programs	Builds links with foreign technical counterparts in governments, international organizations and private institutions/foundations	Central government ministries including education as well as organizations that employ trainees (coal, power, finance etc)	Help establish advanced degree programs at North Korean universities in energy efficiency engineering, environmental science and energy technology
		Builds capacity in energy-related fields	Existing technical institutes, universities and the Academy of Sciences	Work to develop relevant university infrastructure through provision of laboratory facilities, faculty training and related educational/training opportunities abroad
		Encourages greater interaction between North Koreans and foreigners	Individual North Korean scientists, officials, engineers and technicians	Involve U.S. national labs or similar organizations in other governments, international organizations or private science NGOs and foundations
		Requires increased coordination and planning per dollar spent		
	Encourage Renewable Energy/ Energy Efficiency Industry	Creates programs consistent with DPRK energy and technology transfer priorities	Government institutes related to renewable energy and energy efficiency	Build production facilities for solar hot water heaters, solar PV panels, wind power, insulation materials and high-performance windows
Meets internal needs while generating hard currency earnings through exports		Existing factories/work groups tasked with producing related products (and the ministries responsible for them)	Establish with seed funding from governments plus investment from companies capitalizing on low-labor costs	
Links the DPRK to other economies		New businesses (state-owned) created to be counterparts of foreign companies	Could generate high global demand if quality control sufficient	
DEVELOPMENT ASSISTANCE	Seek Re-invigoration of Greater Tumen Initiative (GTI)	Encourages regional economic integration	Core economic ministries and local governments in Tumen area	Add U.S. and Japanese participation to original members (Russia, China, South Korea, North Korea)
				Initiatives in several areas (transport, energy, tourism, investment and environment) in planning phase
	Expand USDA Cooperation	Accelerates understanding of relationship between market and agricultural development	Central government ministries, such as agriculture, trade and economics	Include participation in the USDA Cochran Fellowship that provides U.S. training for specialists and administrators from the public and private sectors concerned with agricultural trade, agribusiness development, management, policy and marketing
		Increases knowledge of the infrastructure (physical and financial) for a vigorous agricultural sector	Individual universities	USDA, may be open to recognizing the DPRK at this stage of the roadmap as an "emerging market"
		Provides better understanding of international agricultural trade norms		U.S. has developed tailored programs for other countries, such as a scientific cooperation program with China and a faculty exchange program which includes countries in Central Asia, Eastern Europe and Sub-Saharan Africa
	Improves knowledge about sustainable farmings			

ECONOMIC DEVELOPMENT	Support Membership in IFIs and Establishment of Normal Programs	Encourages application of international standards and best practices in macroeconomic management and economic development policies	Core economic ministries and financial institutions	Membership requires application and a Board of Governors vote to approve it; Japan and Europe as well as the U.S. would need to agree to vote in favor given heavy weight in the voting structure
		Helps mobilization of ODA and FDI required for large-scale investment projects and programs		Legally, a country must join the IMF before the World Bank (technically IBRD); in practice, this is done in tandem with votes of the two boards usually one day apart
		Major step in integrating North Korea into the international financial system		Once the idea of membership in the IFIs is accepted all three will happen in a close timeframe, but the relationship with the IMF is going to be critical as it requires transparent reporting of economic and financial information as a condition of membership
		Would take economic management issues out of the arena of political bargaining and into the arena of rule-based conduct of economic affairs. North Koreans may not be willing to comply with degree of transparency required		
	Support WTO Accession process	Establishes the conduct of trade within the internationally-accepted framework of WTO policies and mechanisms for dispute resolution Takes a major step in integrating North Korea into the international economic system	Core economic ministries, especially trade and finance	Pursue in coordination with development of programs of IFIs and European Commission
PEOPLE-TO-PEOPLE CONTACTS	Fulbright Fellowship Participation	Helps normalize academic cooperation between the U.S. and North Korea through a premier U.S. exchange program	Central Government, Ministry of Education	Make available for North Koreans wishing to study in the U.S. and American academics interested in pursuing research in the DPRK
		Increases U.S. understanding of North Korea through expanding breadth of scholarship, number of experts on North Korea and English Teaching Assistants program with young adults living in the North	Individual universities	Use Fulbright English Teaching Assistants Abroad program to expand language training in the DPRK